

St. Mary Rehabilitation Working Group Meeting
10:00 – 3:00 March 23, 2005
Triangle Telephone Co-operative Building
Havre, Montana

Welcome and Introductions: Members Present: Randy Reed, Co-chair, Jim Rector, Bud Mavencamp (alternate for Kevin Salsbery); Dolores Plumage; Mike Tatsey, Gary Anderson; John Lacey; Randy Perez; Max Maddox; Mike Barthel; Paul Tuss; Dave Peterson; Steve Page, Larry Mires (Executive Director).

Absent: Kevin Salsbery; Lt. Governor John Bohlinger, Marko Manoukin.

Information included in meeting handouts:

- Executive Committee meeting notes from February 18 and March 11.
- Information on strategic planning retreat including estimated cost.
- Survey questions for strategic planning retreat.
- Agenda and cost estimates for National Water Resources Association Conference.
- 3/22/05 memo from John Tubbs RE: State Funding Update – Uses of Funds.
- Working Group budget summary for FY05.
- Brochure on “Troubled Water” conference in Boise, ID.

Review Agenda

- Paul Tuss started the meeting as Randy Reed was running late. Gary Anderson moved to have Working Group approve agenda at the start of each meeting. Steve Page seconded the motion, which passed by consensus.
- Mike Tatsey requested that agenda item on Blackfeet employment issues be moved to a morning timeslot. Gary Anderson, Mike Barthel, and Larry Mires each requested an addition to the Update and Progress Report section of agenda.
- Paul Tuss moved to approve 3/23 meeting agenda with amendments. John Lacey seconded the motion, which passed by consensus.

Review of January 26 Meeting Notes: Dave Peterson moved to approve notes from 1/26 meeting in Browning. Mike Tatsey seconded the motion, which passed by consensus. Mike will provide Paul Azevedo with statistics on Blackfeet irrigation project and the names of Blackfeet speakers. Notes from February meeting in Chinook are still being transcribed.

Blackfeet Tribal Employment issues related to St. Mary Rehabilitation

- Mike Tatsey stated that the Blackfeet Tribe is interested in vocational training opportunities for their members. He understood that some members of the Working Group were unhappy with the last minute inclusion of \$250K for vocational training in the FY06 federal appropriations request. Blackfeet want to establish training at the community college in the skills needed to complete this project.
- Dave Peterson felt it was a good opportunity for college students, but would like to see how the tribe would spend the money.
- Mike Tatsey asked if anyone had asked how the Working Group planned to spend the \$3.5 million if federal money they were asking for. Is it fair to ask the Blackfeet? Tribe would like

to establish a water quality and soil-testing lab at the college. They also want to provide construction training.

- Larry Mires reminded everyone that sometimes it is necessary to react very fast to take advantage of an opportunity. If the congressional delegation offices call DNRC and request draft legislation in a short timeframe, DNRC has no choice but to react. There is not always time to consult all the parties involved. However, he felt DNRC should have at least contacted Executive Committee about the inclusion of the vocational training funds.
- Gary Anderson felt Working Group should have been consulted. Steve Page concurred with Gary. He felt the Working Group was never consulted on how funding levels in the federal request were arrived at.
- Paul Azevedo stated that with the exception of adding vocational training funds (\$250K), and eliminating the \$5 million in emergency funds, the FY06 federal appropriations request was identical to the FY05 request. The federal funding request was originally discussed at the April 28, 2004 meeting in Glasgow. Request was also discussed at January 5, 2005 meeting held in Helena.
- Max Maddox believes the Working Group needs to be fully informed of the details behind what they are approving. His constituents don't always see how some of the group's actions are related to the project.
- Mike Tatsey reiterated that the Blackfeet do not expect irrigators to pay for Blackfeet benefits. The irrigators were not involved in making the decisions that led to building the project on Blackfeet land. The tribe expects the federal government to pay for those benefits. Mike said he would be willing to come down and talk with any of the irrigators if they want him to. They just have to ask.
- Mike Tatsey said he felt some people feared the tribe would "638" (take over operational control) the project. He stated that tribe has taken over other federal functions on the reservation including water resource responsibilities. He felt the tribe runs the water resource office better than BIA ever did. Blackfeet want to be in charge of projects that are on their land.
- Gary Anderson felt the Working Group has lost control of the meetings. Felt the group really needed to discuss items in more detail.
- Randy Perez commented that the Working Group has gone on record of supporting the Blackfeet. The group has no say how the tribe spends their portion of any federal funds. That will be up to the feds and Blackfeet. He felt the Working Group was worrying about things that were too far down the road.
- Max Maddox felt discussion of vocational funds was more of a side issue. Irrigators don't have a problem with it as long as it does not impede progress. However, turning control of the project over to the Blackfeet would not be an acceptable outcome.
- Randy Reed called on Pat Thomas (vice-chair of Blackfeet Tribal Business Council). Pat's comments are summarized below.
 - Pat does not feel that anyone has the right to tell the Blackfeet how to spend any federal funds;
 - Working Group members are asking Mike Tatsey for a paper trail to document the use of federal funding. He would like to see the paper trail that documents the federal government's claims to having a right-of-way across Blackfeet land. Would also like to see the paper trail documenting payment for the water being diverted;
 - On accountability, Mike Tatsey can be accountable for any federal funds.

- Blackfeet need to be included on all emails. He feels that people are starting to talk behind the tribe's back;
- He feels that management of the St. Mary system is between the federal government and the Blackfeet;
- Feels that \$250K for vocational training is a drop in the bucket compared to the money generated by the St. Mary system;
- He trusts that the Working Group can work out all the difficult issues; and
- He reminded people to check in with Mike before going up to see the diversion system. Irrigators would not like people walking unannounced across their lands and neither do the Blackfeet.

Governor's invitation to Chairpersons of Ft. Belknap and Blackfeet Tribal Council's to become Ex Officio members of the Working Group

- Gary Anderson moved to accept Governor's recommendation that Chairs of Ft. Belknap and Blackfeet Tribal Councils be appointed as Ex Officio members of the Working Group. Paul Tuss seconded Gary's motion, which was then approved by consensus.
- Jim Rector had no objection to inviting Tribal Chairs to be Ex Officio members, but did not like how it was done. Max Maddox concurred with him.
- Dave Peterson agreed that Chairs of the two Tribal Councils should be Ex Officio members. He felt it was an oversight not to include them in the first place.

Discussion on participation by county commissioners on Working Group

- Dolores Plumage reported that she is still trying to coordinate with the other county commissioners. It is a busy time of year and difficult to get everyone together. Larry Mires is helping her to set up a meeting.
- Paul Azevedo forwarded a request from the Lt. Governor's office that the Working Group create a place on the Working Group for Michael DesRosier (Glacier County Commissioner). Paul expressed concern that some members of the Working Group or public at large wrongly believe that inclusion of Mike DesRosier was a done deal through the Lt. Governor's office. Paul stated that this was not true. Lt. Governor's office feels that Mr. DesRosier would be a valuable addition to the group, but his office will respect the group's Process Agreement.
- Paul Tuss wondered if all the interests were represented at the table.
- John Lacey felt that communication is already a problem. If group gets to big, communication will only get worse.
- Mike Tatsey agreed on need to limit size, but felt Glacier County was in a unique position. The biggest impacts from construction will occur in Glacier County. He also noted that there are 4 or 5 seats representing irrigation. Blackfeet have only one seat. Glacier County interests are different than Blackfeet.
- Mike Tatsey moved to accept Lt. Governor's recommendation to include Michael DesRosier on Working Group. Dolores Plumage seconded Mike's motion. There was extensive discussion on the motion.
- Paul Azevedo noted that the group's Process Agreement says the "number of Basin Members should not exceed fifteen (15) participants." He felt it might be necessary for the group to amend the agreement to enlarge the number of seats before deciding to extend an invitation to Mr. DesRosier.

- Mike Tatsey disagreed on need to change the Process Agreement. He noted the agreement only says, “should not exceed”, it does not say “can not” or “will not”.
- Randy Reed acknowledged the need for some level of coordination with Glacier County. He asked Michael DesRosier to explain to the group what he brought to the table.
- Paul Azevedo suggested that further discussion on making Mr. DesRosier a member of the Working Group should wait until a representative from Lt. Governor’s office is present. Lt. Governor’s office is advocating Michael’s appointment and they should be given the opportunity to explain why.
- Michael DesRosier questioned the need to sell himself to the Working Group. He noted that the current members never had to explain themselves. He then went on to say that he represents 13,000 people in the Glacier county district where the project will be constructed. Glacier County is concerned with impacts from project construction and residents want to know who is representing their interests. County is spending funds reviewing plans to replace St. Mary bridge so they are already be impacted.
- Gary Anderson asked Mike Anderson (Hill County Commissioner) to comment. Mr. Anderson felt that Hill County was being well represented by Mike Barthel and Dave Peterson. Mr. Anderson did not feel that he personally needed a seat at the table. He would be glad to serve as an Ex Officio member.
- Dolores Plumage reminded everyone of public comment during meeting in Browning; Blackfeet feel under represented on Working Group. She also feels there is a cultural gap to be bridged. Blackfeet Tribal interests are different from Glacier County interests. Michael DesRosier would provide another avenue to reach citizens in Glacier County.
- Gary Anderson moved to amend Mike Tatsey’s motion to included Michael DesRosier and Mike Anderson as Ex Officio members. John Lacey seconded Gary’s amendment. This was followed by more discussion.
- Steve Page felt that the group really needed to have a full discussion on the size of the table before taking any steps to expand it. He felt Michael DesRosier would be a valuable asset, but the group needed time to work their way through the issue.
- Jim Rector moved to table Mike Tatsey’s original motion until after the strategic planning retreat. Mike Barthel seconded Jim’s motion.
- Mike Tatsey could not support Jim’s motion so consensus was not reached. Following guidelines of Process Agreement, Mike offered an alternative to Jim’s motion. Mike moved to table his original motion and invite Michael DesRosier to participate in strategic planning retreat. John Lacey seconded Mike’s amendment.
- Jim Rector, Randy Reed, and Max Maddox could not support Mike’s amendment.
- Steve Page felt Mike’s original motion was in contradiction to the Process Agreement. He felt group needed to honor the agreement.
- Mike Tatsey disagreed with Steve’s assessment. However, he agreed to withdraw his original motion.

Overview of existing irrigation rate structure and capital improvement plans

- Paul Azevedo suggested Working Group table this item until next month because John Tubbs and Matt McCann were not present to lead discussion.
- Max Maddox said the irrigation districts spent \$800,000 last year on O&M for St. Mary’s and Fresno. It was his understanding that O&M assessments would increase to \$1 million/yr in the next few years. This would equal about \$8/acre for his district.

- Steve Page mentioned that O&M assessments for St. Mary's and Fresno equaled between \$4 - \$12/acre over and above all the other assessments.
- Mike Barthel asked what percentage went to cover Reclamation's overhead. John Lacey said it was his understanding that about 50% of assessment money went to overhead.
- Mike Barthel moved to table discussion until the next meeting. Second by Gary Anderson, approved by consensus.

Updates and Progress Reports

- Larry Mires provided an update (with handout) on upcoming trip to the National Water Resources Association Federal Water Seminar in Washington D.C. on April 10-14. Randy Reed, Mike Tatsey, Randy Perez, and Larry will be attending for Working Group. John Tubbs will be attending for DNRC. Larry is setting up meetings with Congressional offices, Reclamation officials, and lobby firms.
- Larry Mires provided an update (with handouts) on strategic planning retreat to be held on March 31 – April 1 in Lewistown. He asked everyone to fill out the survey and return it to him ASAP.
- There was some discussion on need to have a quorum present at retreat. There was general agreement that a quorum was needed to get buy-in. General fear that if the strategic plan was not approved at the retreat, group would get bogged down in endlessly repeated discussions. Show of hands indicated a quorum would be present.
- Paul Tuss provided an update on Working Group budget. His office just recently received \$3,000 for Glacier County. He is waiting to receive some money from Hill County. Account balance is \$98,628.61
- Paul Azevedo noted that total Working Group in-kind contributions are \$56,205. DNRC in-kind contribution to project is \$223,461.
- John Lacey wanted to know if irrigation districts would be asked to contribute again this year. Paul Tuss responded that he assumed they would. It was noted that not all entities contributing funds are on the same fiscal year. John Lacey commented that irrigation districts could not contribute until November. Paul Tuss responded that the group needed to craft a budget that accommodated the different fiscal years.
- Larry Mires gave an update on progress of state and federal legislation.
 - Larry felt there was a relatively low chance of receiving any federal funding this year. The group might receive \$1.5 million of their \$6.75 million request. He had no information on status of funding for Blackfeet needs. He cautioned the group not to expect to see any reauthorization language this year. The good part was that their request was in the queue. Any funding will simply be a plus.
- Dolores noted that Mike Tatsey was not present and suggested that Larry's report be forwarded to the Blackfeet. Paul Azevedo said he would follow up with Mike.
- There was some discussion on the possibility of talking with the Blackfeet about involving the Tribe's D.C. lobbyist in the St. Mary effort. Paul Azevedo said the idea had been discussed before and was still worth pursuing.
- Larry Mires recommended Working Group purchase name badges for all members. He felt nametags for those traveling to D.C. in April were especially important. Cost ranged from \$10 - \$14 per badge depending on design and style. Mike Barthel moved to allow Larry to buy name badges for Working Group members (\$14/badge). Dave Peterson seconded the motion, which passed by consensus.

- Larry Mires handed out a brochure for an upcoming policy conference on water and the West titled “Troubled Water”. Conference will be held on April 19-20 in Boise, Idaho and is sponsored by the Andrus Center for Public Policy and *The Idaho Statesman*. Costs would include \$100 registration fee, plus travel, hotel, and per diem for any Working Group members to attend. There was some discussion on how applicable the conference was to the group’s efforts. John Lacey moved to have Executive Committee decided if Larry Mires should attend. Second by Dave Peterson, passed by consensus.
- Mike Barthel thanked Randy Reed and his irrigation district for sponsoring a portion of Walleye Unlimited’s annual dinner. District provided meat for the event. Walleye’s raised enough money to make another donation to the Working Group’s efforts in 2005. He also reported that Walleye’s and Trout Unlimited were close to agreeing on language to support use of Future Fisheries Improvement Program funds on warm water fisheries east of the divide.
- Gary Anderson reported that he had collected 150 names on a petition in support of rehabilitating St. Mary’s. He will be sending the names to Montana’s Congressional delegation. Gary also felt the Montana Department of Agriculture should be an Ex Officio member of the Working Group.
- John Lacey moved to extend meeting by 30 minutes. Dave Peterson seconded John’s motion, which they passed by consensus.
- John Lacey reported that during tour of Alberta irrigation projects, Dale Miller (UMA, Inc) briefly mentioned that the Alberta system was capable of transferring St. Mary water over the divide into the Milk River. Marv Cross (DNRC, Havre) responded that the capability did exist. Paul Azevedo said he was not familiar with this route, but that he would see what he could find out.

Public Comment

- Ruben Horseman, irrigator with Ft. Belknap Indian Irrigation Project: Ruben recalled how Dolores Plumage (Blaine County Commissioner) was originally asked to be on the board (Working Group). He felt that she represented his interests well, but now she is being asked to represent other counties and her role as a voice for irrigators on Ft. Belknap is being diluted. As such, he feels irrigators on the Ft. Belknap Project need to have their own seat on the board (Working Group). He also believed Dolores was not being treated the same as other group members. Since Dolores was asked to submit a letter saying whom she represented, he felt every member of the group should have to do the same thing.
- Wally Elliot, irrigator: Wally felt that Reclamation needed to recognize the difference between O&M and reconstruction. He felt that the work that needs to be done to keep the St. Mary Facilities operating was better defined as reconstruction and not O&M. The difference is important in how costs are allocated to the irrigation districts.

Review Motions

- Gary Anderson moved to have Working Group approve agenda at the start of each meeting. Steve Page seconded the motion, which passed by consensus.
- Paul Tuss moved to approve 3/23 meeting agenda with amendments. John Lacey seconded the motion, which passed by consensus.
- Dave Peterson moved to approve notes from 1/26 meeting in Browning. Mike Tatsey seconded the motion, which passed by consensus.

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- Jim Rector moved to table Mike Tatsey's original motion until after the strategic planning retreat. Mike Barthel seconded Jim's motion. Mike Tatsey could not support Jim's motion so consensus was not reached.
- Mike moved to table his original motion and invite Michael DesRosier to participate in strategic planning retreat. John Lacey seconded Mike's amendment. Jim Rector, Randy Reed, and Max Maddox could not support Mike's amendment. Mike Tatsey agreed to withdraw his original motion.
- Mike Barthel moved to table discussion on irrigation rate structures and capital improvement plans until the next meeting. Seconded by Gary Anderson, approved by consensus.
- Mike Barthel moved to allow Larry to buy name badges for Working Group members (\$14/badge). Dave Peterson seconded the motion, which passed by consensus.
- John Lacey moved to have Executive Committee decide if Larry Mires should attend "Troubled Water" conference in Boise, Idaho on April 19-20. Second by Dave Peterson, passed by consensus.
- John Lacey moved to extend meeting by 30 minutes. Dave Peterson seconded John's motion, which then passed by consensus.

Review Action Items:

- Mike Tatsey will provide DNRC with statistics on Blackfeet irrigation project and the names of Blackfeet speakers to complete 1/26 meeting notes.
- DNRC will relay Larry's update on status of federal appropriations to Mike Tatsey.
- DNRC will contact Dept of Ag regarding their involvement in St. Mary Project.
- Larry will continue planning for strategic planning retreat.
- Larry will purchase nametags for Working Group members.
- DNRC will update names and addresses on Working Group contact list.
- DNRC will talk with Dale Miller about Alberta's diversion route from the St. Mary to Milk River basins.

Location and Agenda Items for March 23rd Meeting

- Next meeting will be held in Glasgow, Wednesday, April 27, 2005 from 10:00 – 3:00.

Meeting adjourned at 4:24 pm